

BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: July 14, 2004

Division: Management Services

Bulk Item: Yes X No

Department: Administrative Services/RiskManagement

AGENDA ITEM WORDING: Approval for Purchase of Airport Liability insurance with Ace USA through Arthur J. Gallagher and Company.

ITEM BACKGROUND: Provides \$50 million in liability insurance coverage for Airport Operations (Key West and Marathon). Per Monroe County purchasing policy this coverage was put out for bids with incumbent providing lowest proposal. Effective date 7/27/04-7/27/05.

PREVIOUS REVELANT BOCC ACTION: Approved current coverage with this carrier effective 7/27/03.

CONTRACT/AGREEMENT CHANGES: Premium of \$45,400 represents a reduction of \$8,084 or 15%.

STAFF RECOMMENDATIONS: Approval.

TOTAL COST: \$45,400

BUDGETED: Yes X No

COST TO COUNTY: \$45,400

REVENUE PRODUCING: Yes No X **AMOUNT PER MONTH** **Year**

APPROVED BY: County Atty OMB/Purchasing Risk Management

DIVISION DIRECTOR APPROVAL:


SHEILA A. BARKER

DOCUMENTATION: Included X To Follow Not Required

DISPOSITION:

AGENDA ITEM # C24

MONROE COUNTY, FLORIDA
REQUEST FOR PROPOSALS
FOR
AIRPORT LIABILITY INSURANCE

PROPOSAL FORM

AIRPORT LIABILITY – PREMISES AND OPERATIONS

Company	<u>ACE USA – ACE Property and Casualty Insurance Company</u>
Underwriting office used	<u>Aviation</u>
Address	<u>725 S. Figuera Street, #2050 Los Angeles, CA 90017</u>
Telephone number	<u>213-833-3100</u>
Current A.M. Best Co. rating?	<u>A XIV</u>
Is policy form and all endorsements included for review?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Are the following coverages included:	
Premises and Operations	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Independent Contractors	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Products/Completed Operations	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Medical Expense payments	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Blanket Contractual	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
	* Refer to policy wording p. 20 of p. 23, item 10
(all related contracts included?)	<input type="checkbox"/> YES <input type="checkbox"/> NO *
(any reporting requirements?)	<input type="checkbox"/> YES <input type="checkbox"/> NO *
Personal Injury Liability (employees and contractual exclusions removed)	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO

Construction & Alteration Liability Extension

☒ YES ☐ NO

For work performed by you or on
your behalf

Contingent Hangarkeepers Liability

☒ YES ☐ NO

Discrimination and Civil Rights Liability

See previous response

Employment Practices Liability

☐ YES ☒ NO

Is the Coverage provided on an Occurrence Basis?

☒ YES ☐ NO

Are defense costs included in the aggregate limit of
Liability?

☐ YES ☒ NO

Expense costs are outside limit

Is requested Named Insured wording used?

See previous response

If not, stated wording to be used

Includes everything requested except
leased workers and "anyone that the
County has responsibility for"

LIMITS/PREMIUMS

It is not required that all possible options be quoted

	DEDUCTIBLES	
LIMITS	0	\$10,000
\$50,000,000/\$50,000,000	\$45,400	
\$75,000,000/\$75,000,000		
\$100,000,000/\$100,000,000	\$70,400	

The Proposer stated below is the authorized agent of the company or companies proposed, and is authorized to bind coverages upon acceptance by Monroe County, Florida. Deviations from the requested program have been stated. Coverage will be issued as proposed. ~~*The insurer agrees to deliver a policy(ies) to the insured within forty-five (45) days after inception of coverages. It is agreed that policy premiums will be payable upon receipt by insured of complete policy conforming with the accepted proposal.~~


Signature of Authorized Representative

May 27, 2004
Date

***The insurer agrees to deliver policies to the insured within forty-five (45) days to ninety (90) days after inception of coverages. It is agreed that policy premiums will be payable upon inception of the policy(ies). Policies will conform to proposal as presented to Monroe County Board of County Commissioners.**

MONROE COUNTY BOARD OF COUNTY COMMISSIONERS



DESCRIPTION OF AIRPORT COVERAGE

NAMED INSURED - (BROAD FORM)	<i>Includes elective or appointive officers of any board, commission or agency and employees and volunteers of yours but only with respect to liability arising out of activities of the Airport. The standard fellow employee exclusion is deleted.</i>
PREMISES LIABILITY (EXCLUDING WAR RISKS) WAR RISKS ENDORSEMENT AND TRIA COVERAGE OFFERED AS AN OPTION	<i>Bodily Injury, including Mental Anguish and Property Damage. The ownership, maintenance or use of the Airports and all operations necessary thereto, but excluding the direct operation of a Control tower, including the ways and means immediately adjoining thereto, and including other incidental premises used by the Named Insured in connection with the business of the Named Insured. Contingent control tower liability is included up to policy limit.</i>
EXTENDED BODILY INJURY COVERAGE	<i>Includes coverage for fright or mental anguish. Also protects insureds that injure others, through the use of reasonable force, for the purpose of protecting persons or property.</i>
BROAD FORM PROPERTY DAMAGE	<i>Damage to property in your care custody and control exclusion does not apply to:</i> <ul style="list-style-type: none"><i>(Baggage or cargo handled by you, provided you are not handling the baggage or cargo as bailee for hire.</i><i>(To an "auto" while on the airport.</i><i>(To an "auto" or "mobile equipment" when your control is solely traffic control.</i>

**DESCRIPTION OF AIRPORT COVERAGE**

NON-OWNED AIRCRAFT LIABILITY	<i>Coverage for Bodily Injury and Property Damage, (including Passengers) arising from the operation of non-owned aircraft. The coverage limitation for "Airport Operations" has been removed (provided there is no known exposure in the County.) Coverage is limited to fixed wing or rotor wing with no more than 10 total seats and a gross weight not in excess of 12,500 lbs.</i>
INDEPENDENT CONTRACTORS LIABILITY	<i>Expands definition of your work to include work or operations performed by you or on your behalf and materials, parts or equipment furnished in connection with such operations.</i>
CONTRACTUAL LIABILITY	<i>Expands definition of insured contract to include that part of any other contract or agreement pertaining to your business under which you assume the tort liability of another party to pay for bodily injury or property damage to a third person or organization.</i> <i>1. Excludes construction within 50 feet of any railroad property</i> <i>2. Any contract that indemnifies or relates to rendering or failure to render professional services by an architect, engineer or surveyor</i> <i>3. Any contract that indemnifies any person or organization for damage by fire to premises rented or loaned to you.</i>
PRODUCTS AND COMPLETED OPERATIONS LIABILITY	<i>Written on an occurrence basis and subject to annual aggregate.</i>

**DESCRIPTION OF AIRPORT COVERAGE**

GROUND HANGARKEEPERS LEGAL LIABILITY	<i>Provides coverage for Aircraft while not in flight and in the care, custody or control of the Insured whether the liability arises out of a direct or indirect bailment.</i>
PERSONAL INJURY LIABILITY AND ADVERTISING LIABILITY	<i>Coverage for the following offenses committed during the policy period and arising out of the operations of the Named Insured: Mistaken arrest, detention or imprisonment; malicious prosecution; wrongful eviction from, wrongful entry to or invasion of the right of private occupancy; oral or written publication that slanders or libels; unintentional discrimination; misdirection of a passenger to the wrong aircraft, automobile or other connecting transportation. Coverage is subject to the annual aggregate indicated and the limit is part of and not in addition to the each occurrence limit.</i>
INCIDENTAL MALPRACTICE	<i>Malpractice, error or mistake by any physician, surgeon, nurse, medical technician or other person performing medical services on behalf of an insured in the provision of emergency medical relief. Coverage is subject to the annual aggregate indicated and the limit is part of and not in addition to the each occurrence limit.</i>
CONTINGENT AND HOST LIQUOR LIABILITY	<i>Provides coverage for Bodily Injury and Property Damage arising out of the giving or serving of alcoholic beverages at functions incidental to the Named Insured's business, provided the Named Insured is not engaged in the business, manufacturing, distributing, selling, serving or furnishing of alcoholic beverages. Includes contingent liquor liability for the operations of the Conch Lounge</i>

MONROE COUNTY BOARD OF COUNTY COMMISSIONERS



DESCRIPTION OF AIRPORT COVERAGE

ON PREMISES OWNED AUTOMOBILE LIABILITY	<i>Provides excess liability coverage for vehicles while on the Airport premises. Expands coverage by changing automobile exclusion to include "an auto or watercraft while on the airport and an auto or watercraft while not on the airport if responding to an aviation emergency". This coverage is excess over any other valid and collectable insurance.</i>
OFF PREMISES AUTOMOBILE EXCESS LIABILITY	<i>Provides excess liability for vehicles assigned to the Airport while being operated off the Insured premises. Policy provides the difference between primary automobile liability (minimum of \$1,000,000 each occurrence and \$25,000,000 each occurrence.</i>
EXCESS EMPLOYERS LIABILITY	<i>Provides excess coverage over your Employers Liability. Policy provides the difference between primary Employers Liability limit (minimum of \$1,000,000 each occurrence or self insured retention) and \$25,000,000 each occurrence. Coverage is subject to annual aggregate indicated and is part of and not in addition to the Each Occurrence limit.</i>
CONTINGENT CONTROL TOWER LIABILITY	<i>Excludes the direct operation of a control tower by the Insured however coverage is provided for the contingent exposure up to the full policy limit and protects against this contingent exposure should a lawsuit arise implicating the Airport.</i>
FIRE LEGAL LIABILITY	<i>Property damage caused by fire to structures and fixtures that are rented or leased by the Named Insured.</i>

**DESCRIPTION OF AIRPORT COVERAGE**

SPECIAL PROVISIONS	<ul style="list-style-type: none">(<i>90 day Notice of Cancellation (10 days for non-payment of premium</i>(<i>Includes contingent liquor liability for the operations of the Conch Lounge</i>(<i>Automatic excess coverage over and above primary policy covering air shows or meets.</i>(<i>Inadvertent Error or Omission to report claim does not void coverage.</i>(<i>Fellow Employee Exclusion is deleted</i>
MAJOR EXCLUSIONS	<ul style="list-style-type: none">(<i>War, Terrorism and Associated Perils</i>(<i>Terrorism Risk Insurance Act of 2002</i>(<i>Employment Related Practices</i>(<i>Pollution and Asbestos</i>(<i>Contamination and Noise</i>(<i>Electronic Data Recognition (Policy includes limited write-back endorsement.)</i>(<i>Electrical Interference</i>(<i>Interference with Use of Property</i>(<i>Grandstands, bleachers and observation platforms (unless part of a permanent structure on the airport)</i>(<i>Automobiles & Watercraft (unless provided)</i>(<i>Owned Aircraft</i>

NOTE: *Not all exclusions are shown. It will be necessary to refer to the actual policy for coverage, conditions, provisions and limitations.*